

ECONOMIC DEVELOPMENT REGION 11: Twin Cities Metro

Covers counties:

Anoka, Carver, Dakota, Hennepin,
Ramsey, Scott, and Washington

2015 REGIONAL PROFILE

Published October 1, 2015

Tim O'Neill

Regional Analyst, Twin Cities Metro Area

Minnesota Department of Employment and Economic Development

DEED Headquarters

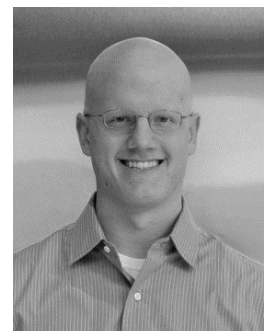
332 Minnesota Street

St. Paul, MN 55101

Office: 651-259-7401

E-mail: timothy.oneill@state.mn.us

Web: <http://mn.gov/deed/data/>



DEMOGRAPHICS

POPULATION CHANGE, 2000-2014

Economic Development Region 11, also known as the Twin Cities Metro Area, includes a total of 7 counties, located in the Twin Cities Metro planning region. Region 11 was home to 2,985,405 people in 2014, comprising over half (54.7%) of the state's total population. At 13.0 percent, population growth in the region was slightly faster than the state's 10.9 percent rate between 2000 and 2014 (see Table 1).

Table 1. Population Change 2000-2014

	2000 Population	2014 Estimates	2000-2014 Change	
			Number	Percent
Region 11	2,642,056	2,985,405	+343,349	+13.0%
Anoka Co.	298,084	341,864	+43,780	+14.7%
Carver Co.	70,205	97,338	+27,133	+38.6%
Dakota Co.	355,904	412,529	+56,625	+15.9%
Hennepin Co.	1,116,200	1,212,064	+95,864	+8.6%
Ramsey Co.	511,035	532,655	+21,620	+4.2%
Scott Co.	89,498	139,672	+50,174	+56.1%
Washington Co.	201,130	249,283	+48,153	+23.9%
State of Minnesota	4,919,479	5,457,173	+537,694	+10.9%

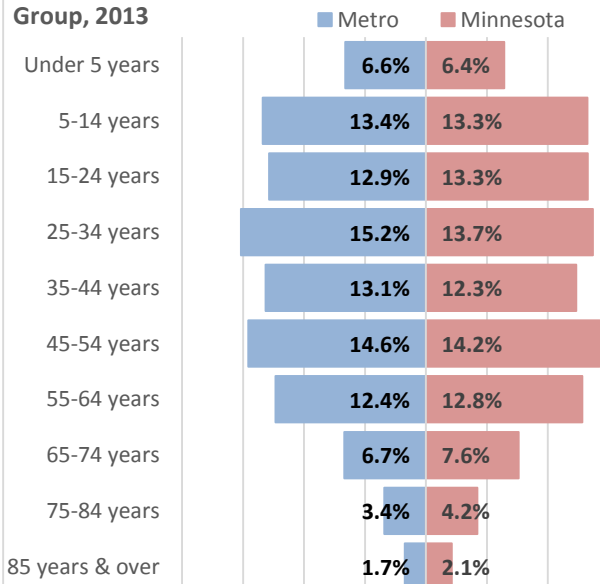
Source: [U.S. Census Bureau, Population Estimates](#)

Five of the state's most populous counties are found within the Twin Cities metro: Hennepin, Ramsey, Dakota, Anoka, and Washington counties. While Scott and Carver are the 9th and 11th most populous counties in the state, respectively, they were also among the fastest growing. In fact, Scott County was the fastest-growing county in the state from 2000 to 2014, expanding 56.1 percent, while Carver County was the fourth fastest-growing, at 38.6 percent.

POPULATION BY AGE GROUP, 2000-2013

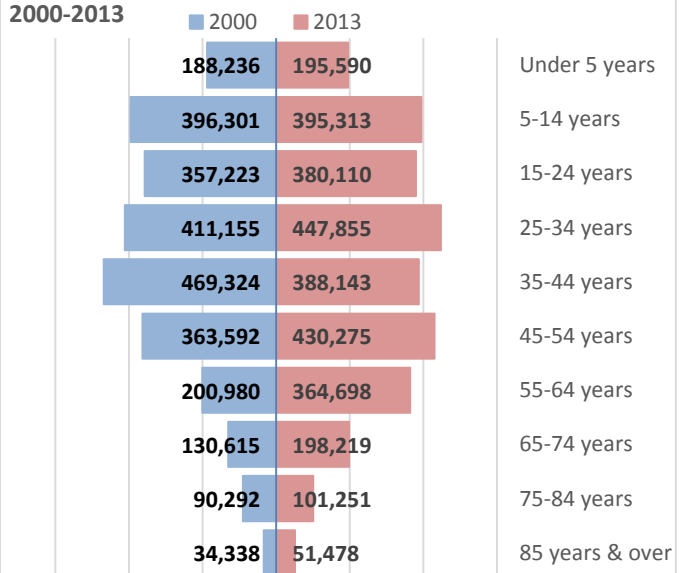
Region 11 is younger than the rest of the state, with just 11.8 percent of its population aged 65 years and over, compared to 13.9 percent statewide. Consequently, the metro region had a higher percentage of people in the 25- to 54-year-old age group, typically considered the "prime working years," and a similar percentage of school-aged children. About one-third of the region's population was a part of the Baby Boom generation – people born between 1946 and 1964 – which is creating a significant shift in the population over time. For example, between 2000 and 2013, the population 65 years and older increased by 37.5 percent in the Twin Cities metro area. Comparatively, the population 0 to 24 years increased by just 3.1 percent (see Figure 1 and Figure 2).

Figure 1. Percentage of Population by Age Group, 2013



Source: U.S. Census Bureau, American Community Survey

Figure 2. Metro Area Population Pyramid, 2000-2013

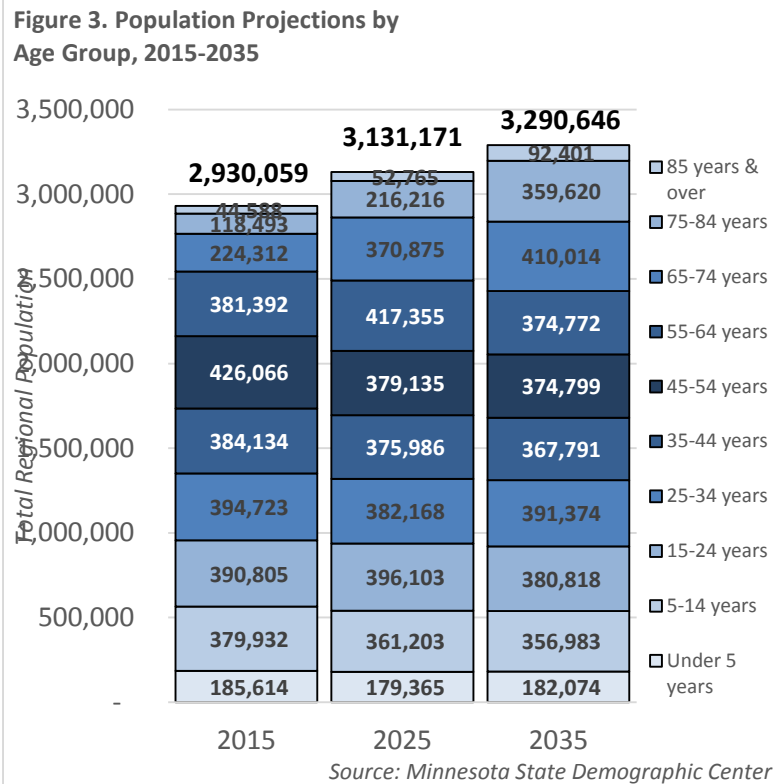


Source: U.S. Census Bureau, American Community Survey

POPULATION PROJECTIONS BY AGE GROUP, 2015-2035

Region 11 has witnessed healthy population growth within the past few decades, growing by 15 percent during the 1980s and 1990s. While growth cooled off in the 2000s, and so far through 2014, steady growth is anticipated well into the future. According to population projections from the [Minnesota State Demographic Center](#), the Twin Cities metro is expected to gain nearly 360,600 net new residents from 2015 to 2035, a 12.3 percent increase (see Figure 3). In comparison, the state of Minnesota is projected to grow 10.8 percent.

However, much of this population growth is expected to be in the older age groups. The Twin Cities is projected to add nearly 474,650 people aged 65 years and over, a 123 percent increase. The prime working age group, those 25 to 54 years, is expected to decrease by 71,000 people as Baby Boomers shift to older age groups. At the other end of the spectrum, school-aged children and young adults from 5 to 24 years of age are expected to decrease by 33,000 people.



POPULATION BY RACE, 2013

Region 11's population is more diverse than the state's, and is becoming more diverse over time. In 2013, 79.3 percent of the region's residents reported White alone as their race, compared to 85.6 percent of residents statewide. The region had 8.4 percent of the population report as Black or African American, 6.7 percent as Asian or Other Pacific Islanders, 5.9 percent as Hispanic or Latino, and 3.1 percent of the population reported being Two or More Races. Between 2000 and 2013, the Hispanic or Latino population grew by 78.7 percent, making it the fastest-growing minority population in the region. All other populations also witnessed large percentage growth during that time, except for the White population, which grew 2.4 percent, and American Indian and Alaska Native population, which declined -9.8 percent.

The Twin Cities have 54 percent of the state's total population, but over 85 percent of the state's Black or African American residents and Asian and other Pacific Islanders. The region is also home to over two-thirds of the state's Hispanic or Latino residents and people of Some Other Race or Two or More Races (see Table 2).

Table 2. Race and Hispanic Origin, 2013	Region 11			Minnesota	
	Number	Percent	Change from 2000-2013	Percent	Change from 2000-2013
Total	2,889,547	100.0%	+9.4%	100.0%	+8.7%
White	2,290,746	79.3%	+2.4%	85.6%	+4.0%
Black or African American	279,944	8.4%	+54.4%	5.2%	+63.0%
American Indian & Alaska Native	57,479	0.6%	-9.8%	1.1%	+4.6%
Asian & Other Pac. Islander	225,020	6.7%	+57.7%	4.2%	+56.9%
Some Other Race	77,273	1.9%	+24.8%	1.4%	+17.4%
Two or More Races	132,033	3.1%	+50.3%	2.5%	+59.6%
Hispanic or Latino	257,144	5.9%	+78.7%	4.8%	+79.3%

Source: [U.S. Census Bureau, American Community Survey](#)

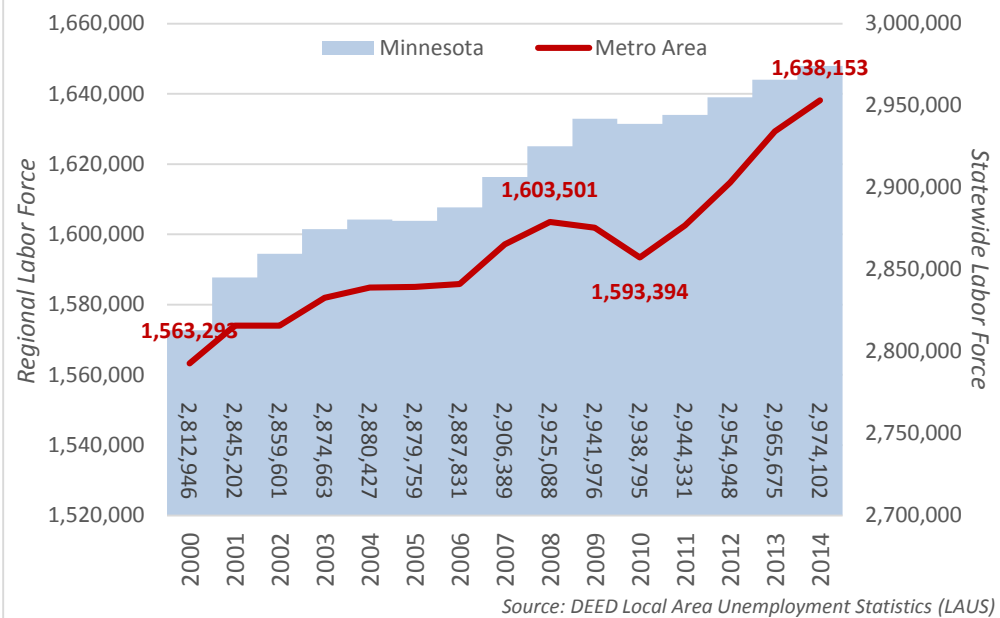
LABOR FORCE

LABOR FORCE CHANGE, 2000-2014

According to data from DEED's [Local Area Unemployment Statistics](#) program, Region 11 has experienced overall growth in the size of the available labor force over the last 14 years, although it contracted slightly during the Great Recession. Between 2008 and 2010, the region's labor force declined by 10,100 people.

Recovering quickly, however, the labor force rebounded by gaining 21,375 people between 2010 and 2012, a 1.3 percent increase. Over the past decade, between 2004 and 2014, the region's labor force grew by 53,315 workers, a 3.4 percent rise, slightly faster than the state as a whole, which grew 3.3 percent (see Figure 4). Region 11 has 55 percent of the state's total available labor force.

Figure 4. Annual Labor Force Estimates, 2000-2014



Source: DEED Local Area Unemployment Statistics (LAUS)

LABOR FORCE PROJECTIONS, 2015-2025

If Region 11's population changes at the projected rates shown in Figure 3 above, the region would be expected to see a continued gradual increase in the labor force over the next decade, gaining nearly 20,000 net new workers from 2015 to 2025. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which show a modest increase in workforce numbers.

Similar to population projections, the labor force will see a significant shift over time, with large gains in the number of workers aged 65 years and over against huge declines in the number of workers aged 25 to 54 years. The region will see an increase of nearly 75,000 workers aged 55 years and over, against a decline of nearly 60,000 workers in the 25 to 54 year old age group. However, the region is still expected to see gains in the number of entry-level workers aged 20 to 24 years (see Table 3). These trends will likely lead to a tight labor market in the future, with employers needing to respond to changing labor force availability in the region.

Table 3. Region 11 Labor Force Projections

	2015 Labor Force Projection	2025 Labor Force Projection	2015-2025 Change	
			Numeric	Percent
16 to 19 years	77,276	75,907	-1,369	-1.8%
20 to 24 years	151,361	158,641	+7,280	+4.8%
25 to 44 years	689,288	670,966	-18,322	-2.7%
45 to 54 years	372,808	331,743	-41,065	-11.0%
55 to 64 years	277,653	303,834	+26,181	+9.4%
65 to 74 years	62,134	102,732	+40,598	+65.3%
75 years & over	9,622	15,870	+6,248	+64.9%
Total Labor Force	1,640,143	1,659,694	+19,551	+1.2%

Source: [Minnesota State Demographic Center, 2009-2013 American Community Survey 5-Year Estimates](#)

EMPLOYMENT CHARACTERISTICS, 2013

With 72.5 percent of the population aged 16 years and over in the labor force, the Twin Cities metro had higher labor force participation rates than the state's 70.3 percent rate. While labor force participation rates for 16 to 19 year olds are less in the metro than the state, the metro has higher participation rates for those 55 years of age and older (see Table 4).

The Twin Cities also has higher labor force participation rates than the state among all races and ethnicities, except Asian and other Pacific Islanders. The region had over 75,000 veterans and more than 69,000 workers with disabilities in the labor force, with veterans having higher participation rates in the metro than in the state overall. Labor force participation rates increase significantly with a High School Diploma or equivalent, and more so with some college or an Associate's degree. In sum, unemployment rates were highest for young people, minorities, workers with disabilities, and people with lower educational attainment

Table 4. Employment Characteristics, 2013

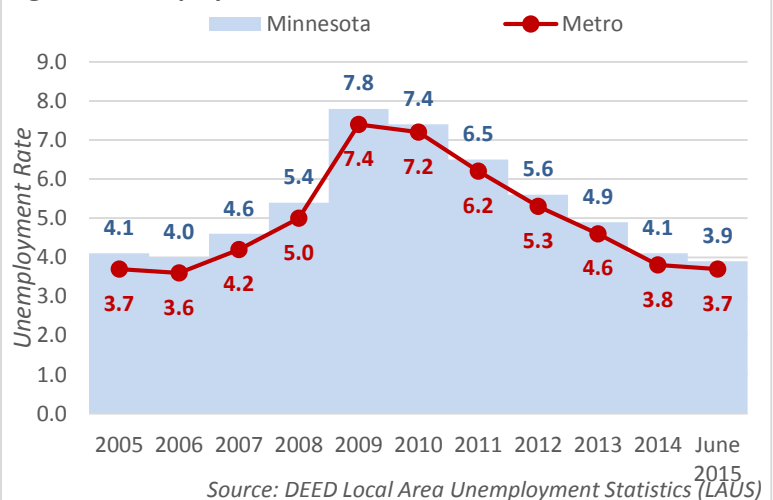
Age Group	Region 11			Minnesota	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
Total Labor Force	1,642,268	72.5%	7.4%	70.3%	7.1%
16 to 19 years	154,187	47.1%	23.1%	50.9%	20.2%
20 to 24 years	154,010	81.5%	12.0%	81.6%	11.2%
25 to 44 years	727,092	88.5%	6.3%	88.2%	6.3%
45 to 54 years	382,704	87.5%	5.9%	87.5%	5.6%
55 to 64 years	248,678	72.8%	6.4%	71.7%	5.5%
65 to 74 years	48,746	27.7%	4.7%	26.5%	4.5%
75 years & over	8,612	5.9%	4.4%	5.8%	4.6%
Employment Characteristics by Race & Hispanic Origin					
White alone	1,361,279	73.0%	6.2%	70.5%	6.3%
Black or African American	116,340	69.4%	17.1%	67.6%	17.5%
American Indian & Alaska Native	8,416	61.3%	16.7%	60.1%	18.8%
Asian or Other Pac. Islanders	96,980	69.5%	8.8%	69.8%	8.5%
Some Other Race	29,179	78.7%	10.7%	77.6%	10.9%
Two or More Races	30,119	70.8%	14.4%	69.0%	14.4%
Hispanic or Latino	84,601	76.9%	9.5%	75.1%	10.4%
Employment Characteristics by Veteran Status					
Veterans, 18 to 64 years	75,411	79.2%	7.8%	77.8%	7.7%
Employment Characteristics by Disability					
With Any Disability	69,055	51.1%	16.3%	51.6%	14.6%
Employment Characteristics by Educational Attainment					
Population, 25 to 64 years	1,358,644	84.9%	6.2%	84.2%	5.9%
Less than H.S. Diploma	67,028	66.3%	14.6%	66.9%	14.6%
H.S. Diploma or Equivalent	243,639	79.1%	8.8%	79.4%	8.0%
Some College or Assoc. Degree	431,857	86.0%	6.9%	85.6%	6.1%
Bachelor's Degree or Higher	615,513	89.4%	3.7%	89.1%	3.4%

Source: [2009-2013 American Community Survey, 5-Year Estimates](#)

UNEMPLOYMENT RATE, 2005-2015

Region 11 has consistently reported lower unemployment rates than Minnesota and the nation, regardless of the state of the economy. According to [Local Area Unemployment Statistics](#), the Twin Cities metro area's unemployment rate hovered just below the state rate from 2005 to 2008, before rising to about 7.4 percent in 2009, then dropping back to prerecession levels in 2014 and 2015 (see Figure 5). As of 2014, the number of unemployed persons in the metro was nearly halved compared to its peak during 2009.

Figure 5. Unemployment Rates, 2005-2015



COMMUTE SHED AND LABOR SHED, 2013

According to commuting data from the U.S. Census Bureau, the vast majority – about 94 percent – of workers who live in the Twin Cities also work within the region. The region is a net importer of labor, having more available jobs than workers. In sum, 1,396,548 workers both lived and worked in the Twin Cities in 2013, while another 238,157 workers drove into the region for work, compared to 92,579 workers who lived in the region but drove to surrounding counties for work (see Table 5 and Figure 6).

Table 5. Twin Cities Metro Inflow/Outflow Job Counts (All Jobs), 2013	2013	
	Count	Share
Employed in the Selection Area	1,634,705	100.0%
Employed in the Selection Area but Living Outside	238,157	14.6%
Employed and Living in the Selection Area	1,396,548	85.4%
Living in the Selection Area	1,489,127	100.0%
Living in the Selection Area but Employed Outside	92,579	6.2%
Living and Employed in the Selection Area	1,396,548	93.8%

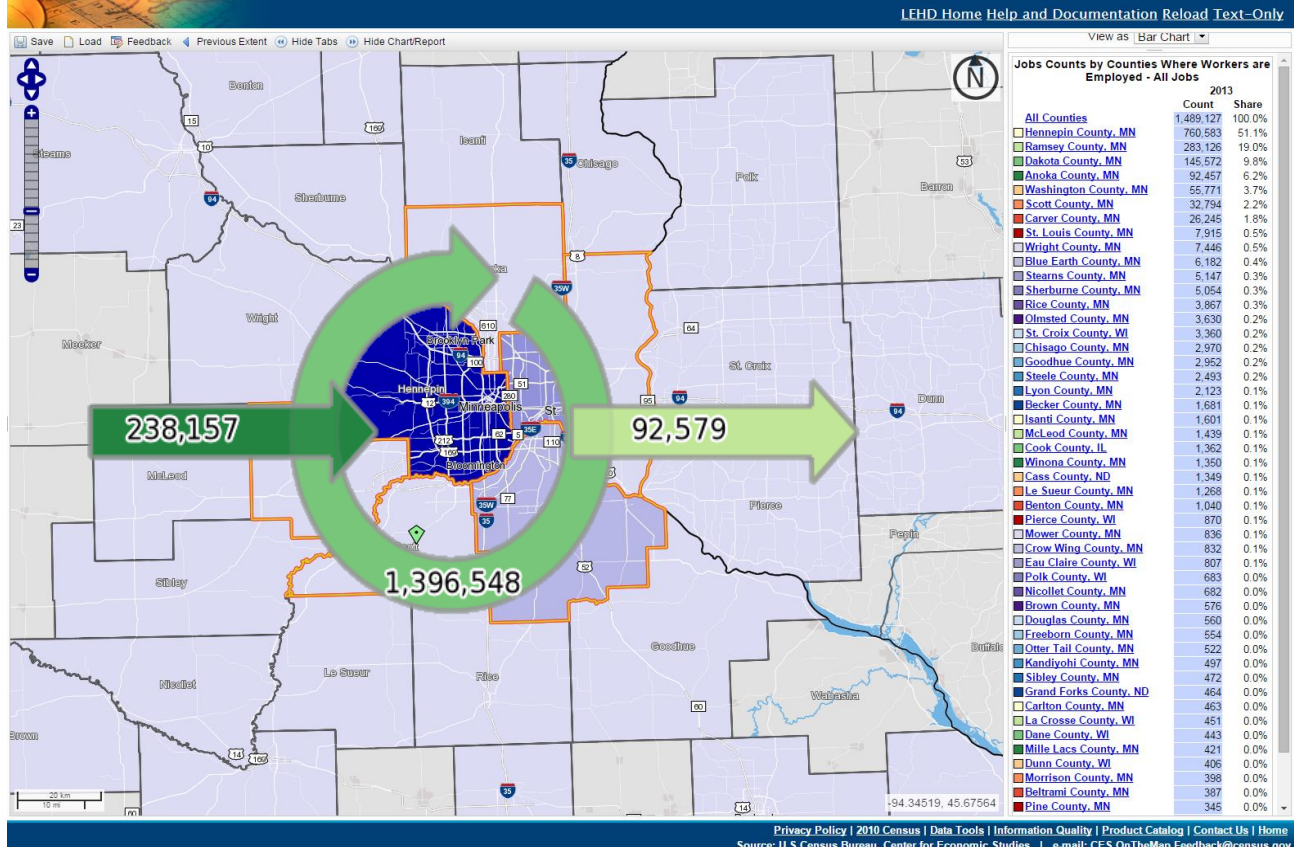
Source: [U.S. Census Bureau, OnTheMap](#)

Hennepin County is the largest employment center in the region and was the biggest draw for workers, followed by Ramsey, Dakota, Anoka, Washington, Scott, and Carver counties. Most of the workers that live outside of the region but are commuting into the Twin Cities for work come from metro fringe counties like Wright, Sherburne, St. Croix, Chisago, and Rice counties. For those metro area residents that work outside of the region, the largest draws are St. Louis, Wright, Blue Earth, Stearns, and Sherburne counties (see Table 6 and Figure 6).

Table 6. Metro Commuting Patterns	
Counties outside the region that send the most workers into the region	Counties outside the region that the most workers from inside the region travel to
Wright Co. MN	St. Louis Co. MN
Sherburne Co. MN	Wright Co. MN
St. Croix Co. WI	Blue Earth Co. MN
Chisago Co. MN	Stearns Co. MN
Rice Co. MN	Sherburne Co. MN

Source: [U.S. Census Bureau, OnTheMap](#)

Figure 6. Twin Cities Metro Area Labor and Commute Shed, 2013



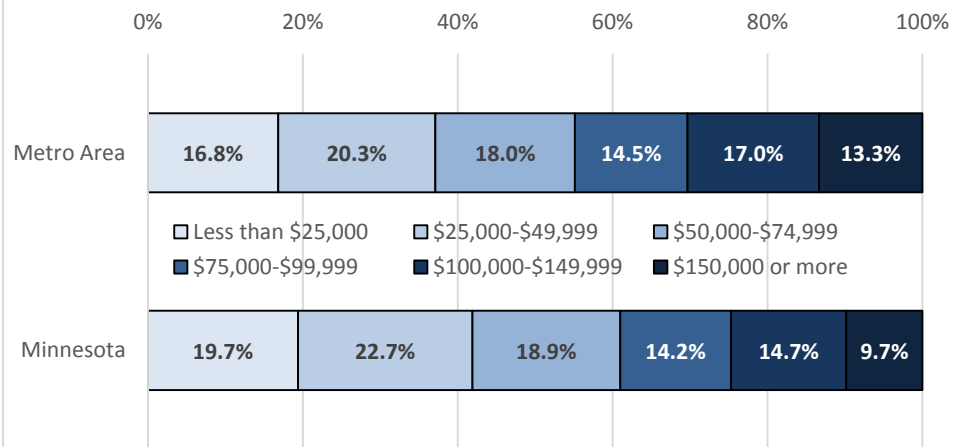
INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

Household incomes were significantly higher in the Twin Cities than the rest of the state. Median household incomes ranged from \$54,247 in Ramsey County to \$86,112 in Scott County, which was the highest in the state. Despite higher incomes than the state, 37.1 percent of the households in the region still had incomes below

\$50,000 in 2013. About 32.5 percent of households earned between \$50,000 and \$100,000 in the region. Lastly, about 30.3 percent of households in the Twin Cities earned over \$100,000 per year, compared to 24.4 percent of households statewide (see Figure 7).

Figure 7. Household Incomes, 2013

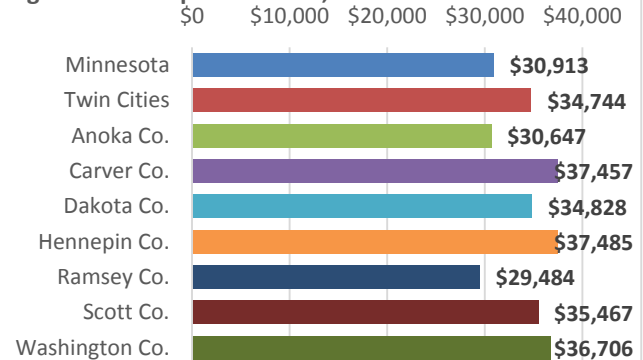


Source: U.S. Census Bureau, 2009-2013 American Community Survey 5-Year Estimates

PER CAPITA INCOMES

Per capita incomes were also higher in the region than the state, at \$34,744 in the Twin Cities compared to \$30,913 in Minnesota. The lowest per capita income in the region was found in Ramsey County, which was still 11th highest in the state. The remaining metro counties all made the top 10 for highest per capita incomes, with Hennepin County coming in first at \$37,485, and Carver County coming in second at \$37,457 (see Figure 8).

Figure 8. Per Capita Incomes, 2013



Source: American Community Survey

COST OF LIVING

According to DEED's [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$50,988 in 2015. The cost of living for a similar family in the Twin Cities was \$55,896 – the highest of any region in the state. The highest monthly costs were for transportation and housing (see Table 7). Broken down by county, the highest cost of living was \$56,796 in Anoka, followed by \$56,080 in Washington and \$56,059 in Dakota.

In order to meet the basic cost of living for the region, the workers in the family scenario listed above would need to earn \$17.92 per hour.

Table 7. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2015

Region	Family Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
			Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Twin Cities	\$55,896	\$17.92	\$602	\$783	\$411	\$1,022	\$1,037	\$252	\$551
Minnesota	\$50,988	\$16.34	\$443	\$772	\$405	\$907	\$1,039	\$235	\$448

Source: [DEED Cost of Living tool](#)

WAGES AND OCCUPATIONS

According to DEED's [Occupational Employment Statistics](#) program, the median hourly wage for all occupations in Region 11 was \$20.49 in the first quarter of 2015, which was the highest wage level of the 13 economic development regions in the state. The Twin Cities' wage was \$1.84 above the state's median hourly wage, and \$4.11 above the average median wage for the rest of the state. As such, a full-time worker in the metro earns about \$8,500 more than their counterpart in Greater Minnesota (see Table 8). It should also be noted that more than three in five state jobs are located within the metro area.

Not surprisingly, the lowest-paying jobs are found in food preparation and serving; personal care and service; and building, grounds cleaning and maintenance, which tend to have lower educational and training requirements. For the most part, the gap in pay between the Twin Cities and the state is also lower in these jobs. Wages are most competitive in community and social service, installation, maintenance, and repair, protective service, and office and administrative support occupations (see Table 9).

Table 8. Occupational Employment Statistics by Region, 1st Qtr. 2015	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	\$16.39	36,130
EDR 2 - Headwaters	\$15.77	27,330
EDR 3 - Arrowhead	\$16.58	141,800
EDR 4 - West Central	\$15.66	83,540
EDR 5 - North Central	\$14.37	56,050
EDR 6E - Southwest Central	\$16.42	46,490
EDR 6W - Upper MN Valley	\$15.34	18,380
EDR 7E - East Central	\$16.43	44,580
EDR 7W - Central	\$16.80	172,200
EDR 8 - Southwest	\$14.79	53,380
EDR 9 - South Central	\$15.99	105,260
EDR 10 - Southeast	\$17.74	253,990
EDR 11 - 7-County Twin Cities	\$20.49	1,691,650
State of Minnesota	\$18.65	2,730,020

Source: [DEED Occupational Employment Statistics](#)

Table 9. Region 11 Occupational Employment Statistics, 1st Qtr. 2015							
	Region 11				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment
Total, All Occupations	\$20.49	1,691,650	100.0%	1.0	\$18.65	2,730,020	100.0%
Office & Administrative Support	\$18.25	263,440	15.6%	1.0	\$17.27	409,100	15.0%
Sales & Related	\$14.93	172,730	10.2%	1.0	\$13.24	270,540	9.9%
Food Preparation & Serving Related	\$9.28	133,660	7.9%	0.9	\$9.21	228,640	8.4%
Business & Financial Operations	\$31.78	124,780	7.4%	1.3	\$30.37	159,970	5.9%
Management	\$51.80	118,720	7.0%	1.2	\$47.47	165,730	6.1%
Production	\$17.19	116,450	6.9%	0.9	\$16.61	217,830	8.0%
Transportation & Material Moving	\$16.64	93,740	5.5%	0.9	\$16.18	167,130	6.1%
Healthcare Practitioners & Technical	\$34.08	88,570	5.2%	0.9	\$31.54	160,390	5.9%
Education, Training, & Library	\$24.36	86,130	5.1%	0.9	\$22.72	156,090	5.7%
Personal Care & Service	\$11.32	77,110	4.6%	1.0	\$11.11	120,000	4.4%
Computer & Mathematical	\$38.92	75,220	4.4%	1.3	\$37.96	91,560	3.4%
Installation, Maintenance, & Repair	\$22.51	51,130	3.0%	0.9	\$21.52	94,310	3.5%
Construction & Extraction	\$29.38	47,550	2.8%	0.8	\$24.88	91,240	3.3%
Healthcare Support	\$14.53	46,570	2.8%	0.8	\$13.63	89,360	3.3%
Building & Grounds Cleaning & Maint.	\$12.29	46,380	2.7%	0.9	\$12.03	81,560	3.0%
Architecture & Engineering	\$36.36	37,380	2.2%	1.2	\$34.76	50,980	1.9%
Community & Social Service	\$21.15	27,070	1.6%	0.9	\$20.51	49,210	1.8%
Arts, Design, Entertainment & Media	\$23.17	27,000	1.6%	1.2	\$21.82	36,430	1.3%
Protective Service	\$18.59	26,260	1.6%	1.0	\$19.43	43,660	1.6%
Life, Physical, & Social Science	\$32.52	16,360	1.0%	1.1	\$30.29	24,410	0.9%
Legal	\$42.18	14,710	0.9%	1.3	\$38.48	18,330	0.7%
Farming, Fishing, & Forestry	\$15.15	720	0.0%	0.3	\$14.41	3,570	0.1%

Source: [DEED Occupational Employment Statistics, Qtr. 1 2015](#)

In contrast, the highest paying jobs are found in management, legal, computer and mathematical, architecture and engineering, and healthcare practitioners and technical occupations, which all need higher levels of education and experience. Pay gaps between the metro region and the state are largest in construction, management, legal, and healthcare practitioners and technical occupations.

JOB VACANCY SURVEY

Employers in the Twin Cities reported 50,880 job vacancies in the second quarter of 2015, which was the third highest number ever recorded, and an 8 percent increase compared to 2014. Overall, 36 percent of the openings were part-time, and 40 percent required postsecondary education. The median hourly wage offer was \$14.25, which was the highest in the state (see Table 10).

Table 10. Region 11 Job Vacancy Survey Results, 2nd Qtr. 2015						
	Number of Total Vacancies	Percent Part-time	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
Total, All Occupations	50,880	36%	40%	52%	29%	\$14.25
Sales & Related	7,079	62%	12%	31%	6%	\$10.00
Food Preparation & Serving Related	5,919	79%	2%	27%	6%	\$9.50
Office & Administrative Support	4,809	32%	18%	48%	10%	\$13.00
Healthcare Practitioners & Technical	3,559	51%	90%	59%	90%	\$26.30
Personal Care & Service	3,443	53%	27%	27%	50%	\$11.45
Transportation & Material Moving	3,345	20%	6%	52%	68%	\$14.57
Computer & Mathematical	2,989	3%	83%	88%	10%	\$29.08
Business & Financial Operations	2,580	6%	81%	90%	14%	\$24.57
Production	2,394	5%	44%	57%	4%	\$13.63
Management	2,091	1%	89%	96%	20%	\$36.17
Healthcare Support	1,927	63%	59%	36%	70%	\$12.74
Installation, Maintenance, & Repair	1,791	5%	34%	70%	37%	\$15.60
Education, Training, & Library	1,776	32%	85%	63%	72%	\$21.51
Building & Grounds Cleaning & Maint.	1,707	27%	1%	19%	16%	\$11.27
Construction & Extraction	1,388	0%	26%	42%	17%	\$14.87
Architecture & Engineering	1,058	1%	90%	84%	27%	\$29.35
Arts, Design, Entertainment, & Media	1,038	31%	41%	62%	23%	\$16.57
Community & Social Service	887	26%	89%	84%	54%	\$16.81
Legal	382	13%	98%	84%	47%	\$20.20
Protective Service	362	51%	8%	34%	65%	\$11.55
Life, Physical, & Social Science	322	10%	76%	82%	48%	\$23.70
Farming, Fishing, & Forestry	35	8%	41%	35%	66%	\$15.32

Source: [DEED Job Vacancy Survey, 2nd Qtr. 2015](#)

OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are hundreds of occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees.

These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, registered nurses, computer systems analysts, and heavy and tractor trailer truck drivers are among the top occupations in demand based on the consistent need for workers in healthcare, professional services, construction, and production (see Table 11).

Table 11. Region 11 Occupations in Demand by Education Level, 2014

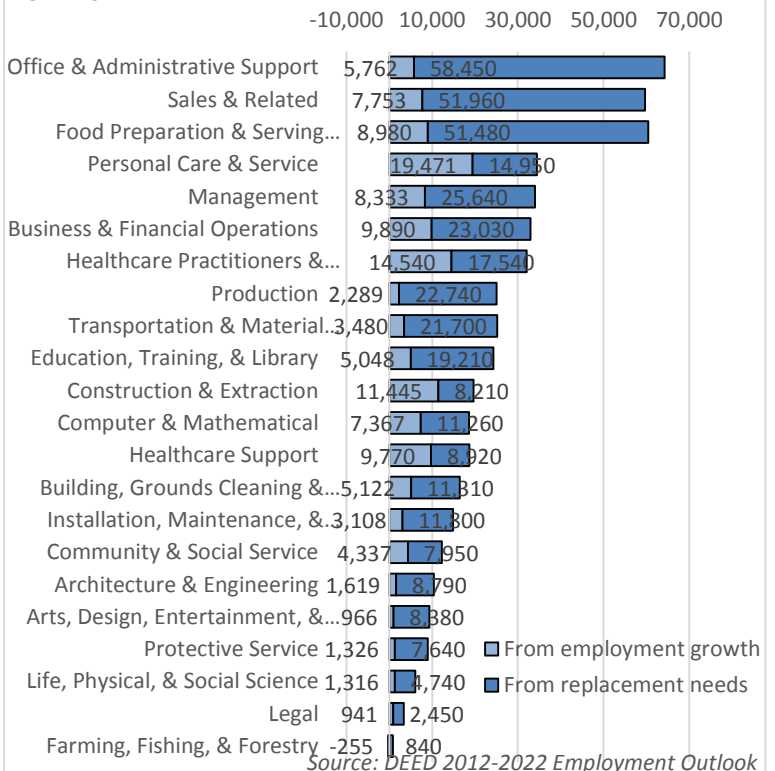
Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Retail Salespersons (\$21,364)	Customer Service Representatives (\$37,261)	Registered Nurses (\$76,732)	Software Developers, Applications (\$91,972)
Combined Food Prep & Serving Workers (\$18,493)	Office Clerks, General (\$33,680)	Web Developers (\$66,410)	Computer Systems Analysts (\$87,725)
Stock Clerks & Order Fillers (\$26,416)	Social & Human Service Assistants (\$31,289)	Licensed Practical & Vocational Nurses (\$44,964)	Market Research Analysts (\$66,384)
Personal Care Aides (\$23,462)	Fitness Trainers & Aerobics Instructors (\$38,050)	Heavy & Tractor Trailer Truck Drivers (\$44,979)	Accountants & Auditors (\$65,640)
Laborers and Freight, Stock, & Material Movers (\$28,516)	Real Estate Sales Agents (\$38,097)	Nursing Assistants (\$30,069)	Industrial Engineers (\$86,638)
Home Health Aides (\$25,595)	Supervisors of Food Prep & Serving Workers (\$30,332)	Medical Assistants (\$35,479)	Software Developers, Systems Software (\$97,310)
Cooks, Restaurant (\$25,085)	Secretaries & Administrative Assistants (\$40,126)	Supervisors of Production Workers (\$60,298)	Management Analysts (\$77,491)
Cashiers (\$20,792)	Maintenance & Repair Workers (44,501)	Massage Therapists (\$50,295)	Financial Managers (\$123,066)
Janitors & Cleaners (\$25,066)	Bus & Truck Mechanics (\$47,172)	Surgical Technologists (\$52,666)	Network & Computer Systems Admins. (\$81,195)
Packers & Packagers, Hand (\$22,778)	Supervisors of Retail Sales Workers (\$41,234)	Computer Network Support Specialists (\$62,652)	Sales Managers (\$116,455)

Source: [DEED Occupations in Demand](#)

EMPLOYMENT PROJECTIONS

Employment in the Twin Cities is projected to grow 7.6 percent from 2012 to 2022, slightly faster than the state's 7.0 percent growth. The region is anticipated to add 132,608 new jobs, but will also need to fill 399,000 replacement openings for existing jobs left vacant by retirements and other career changes. In fact, replacement openings are expected to dwarf the number of new jobs in every group except for personal care and service, healthcare practitioners and health care support, and construction and extraction occupations. Only farming, fishing, and forestry occupations are not anticipated to see any new growth through 2022, but will still have demand for replacement workers (see Figure 9).

Overall, the Twin Cities is expected to account for nearly two-thirds (64.7%) of net new employment growth through 2022 in the state. The region is projected to add jobs in personal care and service, healthcare practitioners and technical, construction, and business and financial occupations. Personal care and service occupations are projected to grow 23.9 percent, making it the fastest-growing group, followed by construction, healthcare support, and healthcare practitioners.

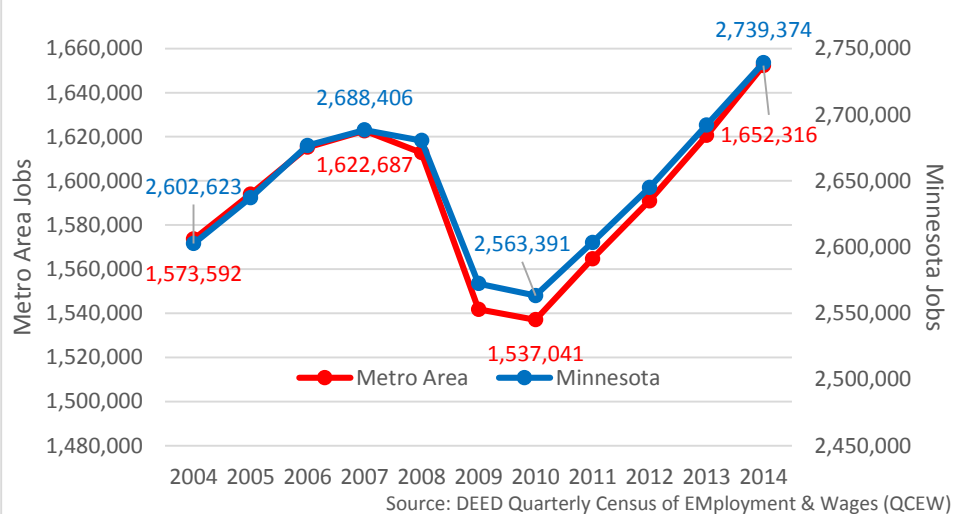
Figure 9. Twin Cities Employment Projections, 2012-2022

ECONOMY

INDUSTRY EMPLOYMENT

Region 11 has seen employment ups and downs over the past decade, but ended 2014 with about 78,700 more jobs than in 2004, a 5.0 percent increase. The metro area reached an annual prerecession peak of 1,622,687 jobs in 2007. During the Great Recession, between 2007 and 2010, the region shed 85,646 jobs, for a 5.3 percent decline. This decline was slightly worse than the state's 4.7 percent decline during that same period. During recovery, between 2010 and 2014, the metro area gained over 115,275 jobs, growing by 7.5 percent. This recovery was slightly stronger than for the state overall, which grew 6.9 percent between 2010 and 2014 (see Figure 10).

Figure 10. Industry Employment Change, 2004-2014



According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), the Twin Cities metro was home to 78,676 business establishments providing 1,652,316 covered jobs through 2014, with a total payroll of just about \$95.5 billion. That was about 60 percent of total employment in the state of Minnesota, and 68 percent of total payroll. Average annual wages were \$57,772 in the region, which was about \$6,400 higher than the state's average annual wage (see Table 12).

Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2010-2014		2013-2014	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
Twin Cities Metro	78,676	1,652,316	\$95,538,557,249	\$57,772	+115,275	+7.5%	+31,704	+2.0%
Hennepin County	38,133	875,208	\$55,300,339,816	\$63,128	+71,475	+8.9%	+20,623	+2.4%
Ramsey County	13,321	323,321	\$18,712,138,723	\$57,876	+7,788	+2.5%	+3,191	+1.0%
Dakota County	9,659	180,721	\$8,982,754,304	\$49,712	+11,853	+7.0%	+2,702	+1.5%
Anoka County	6,949	116,775	\$5,578,117,225	\$47,736	+11,456	+10.9%	+2,037	+1.8%
Washington County	5,316	76,682	\$3,228,610,224	\$42,068	+5,390	+7.6%	+700	+0.9%
Scott County	3,020	43,241	\$1,950,309,544	\$45,084	+2,648	+6.5%	+724	+1.7%
Carver County	2,278	36,366	\$1,786,287,413	\$49,088	+4,664	+14.7%	+1,726	+5.0%
Minnesota	165,217	2,739,374	\$140,866,910,117	\$51,376	+175,983	+6.9%	+47,204	+1.8%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

All seven counties in the Twin Cities metro area saw employment gains from 2010 to 2014, led by Hennepin County, which is the largest employment center in the state of Minnesota, and single-handedly accounted for over 40 percent of the state's total job growth during that timeframe. Dakota and Anoka County each also gained over 11,000 jobs in the past five years, while Ramsey County, which is the second largest employment center in the state, added nearly 7,800 jobs since 2010. Though it has the smallest number of jobs in the region, Carver County saw the fastest job growth during the recovery, expanding by 14.7 percent. It also enjoyed a 5.0 percent jump in the past year (see Table 12).

With 245,377 jobs at 7,866 firms, health care and social assistance is the largest employing industry in the Twin Cities, accounting for 14.9 percent of total jobs in the region. About 54 percent of the state's health care and social assistance jobs are located in the metro area. Additionally, the Twin Cities is still adding health care jobs, gaining 28,900 net new jobs between 2010 and 2014. As such, health care and social assistance was the largest-growing industry sector in the metro during that time. Average annual wages were \$47,320 for health care and social assistance jobs in 2014, significantly lower than the average wage for the total of all industries, \$57,772.

The next largest industry in the Twin Cities is manufacturing, with 165,293 jobs at 4,085 firms. Between 2010 and 2014, this industry gained 8,723 net new jobs, growing by 5.6 percent. The average annual wage for manufacturing jobs, \$71,604, is nearly \$14,000 more than the average annual wage for the total of all industries.

Retail trade is the third largest industry, with 160,140 jobs at 9,007 establishments. This sector has witnessed somewhat slower employment growth since 2010, when compared with the total labor market, and has significantly lower wages.

Other important industries in the Twin Cities include accommodation and food services, educational services, finance and insurance, and professional and technical services. The Twin Cities has 88.8 percent of the state's employment in management of companies; and about 75 percent of statewide jobs in real estate, rental and leasing, professional and technical services, and finance and insurance. In addition to healthcare, the region saw fast and big gains in professional and technical services, construction, and accommodation and food services. Only two major industry sectors, information and agriculture, lost jobs in the metro area between 2010 and 2014 (see Table 13).

NAICS Industry Title	2014 Annual Data				Avg. Annual Wage	2010-2014		2013-2014	
	Number of Firms	Number of Jobs	Percent of Jobs	Total Payroll		Change in Jobs	Percent Change	Change in Jobs	Percent Change
Total, All Industries	78,676	1,652,316	100.0%	\$95,538,557,249	\$57,772	+115,275	+7.5%	+31,704	+2.0%
Health Care & Social Assistance	7,866	245,377	14.9%	\$11,618,593,138	\$47,320	+28,903	+13.4%	+6,694	+2.8%
Manufacturing	4,085	165,293	10.0%	\$11,836,925,527	\$71,604	+8,723	+5.6%	+2,479	+1.5%
Retail Trade	9,007	160,140	9.7%	\$4,788,808,326	\$29,848	+7,189	+4.7%	+1,956	+1.2%
Accommodation & Food Services	5,686	131,484	8.0%	\$2,453,853,367	\$18,616	+10,893	+9.0%	+2,270	+1.8%
Educational Services	2,024	126,723	7.7%	\$6,395,525,965	\$50,232	+1,520	+1.2%	-785	-0.6%
Finance & Insurance	4,619	111,253	6.7%	\$10,529,864,379	\$93,808	+7,924	+7.7%	+5,863	+5.6%
Professional & Technical Svcs.	10,529	109,392	6.6%	\$9,777,723,732	\$89,284	+12,387	+12.8%	+3,845	+3.6%
Admin. Support & Waste Mgmt.	3,930	94,909	5.7%	\$3,334,318,769	\$35,100	+4,263	+4.7%	-1,048	-1.1%
Wholesale Trade	5,151	79,512	4.8%	\$6,594,678,464	\$82,940	+4,181	+5.6%	+1,218	+1.6%
Management of Companies	778	69,875	4.2%	\$8,261,617,985	\$118,248	+7,416	+11.9%	+1,494	+2.2%
Public Administration	857	68,166	4.1%	\$3,909,007,185	\$57,356	+731	+1.1%	+1,683	+2.5%
Transportation & Warehousing	1,744	62,033	3.8%	\$3,381,606,688	\$54,496	+1,323	+2.2%	+1,478	+2.4%
Construction	6,458	61,664	3.7%	\$4,043,550,436	\$65,468	+11,692	+23.4%	+4,168	+7.2%
Other Services	8,876	55,488	3.4%	\$1,835,313,898	\$33,072	+3,129	+6.0%	+1,384	+2.6%
Information	1,392	39,793	2.4%	\$2,992,408,733	\$75,192	-1,217	-3.0%	-846	-2.1%
Real Estate & Rental & Leasing	3,864	31,090	1.9%	\$1,910,075,390	\$61,516	+3,422	+12.4%	-492	-1.6%
Arts, Entertainment & Recreation	1,425	30,661	1.9%	\$1,116,771,783	\$36,556	+2,722	+9.7%	+611	+2.0%
Utilities	81	5,982	0.4%	\$609,869,895	\$102,128	+81	+1.4%	-59	-1.0%
Agriculture, Forestry, Fish & Hunt	260	2,801	0.2%	\$82,894,635	\$29,796	-191	-6.4%	-216	-7.2%
Mining	46	676	0.0%	\$65,148,954	\$97,604	+224	+49.6%	+6	+0.9%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

DISTINGUISHING INDUSTRIES

The Twin Cities stands out in the state for its higher concentrations of employment in professional and technical services, including specialized design services and legal services, and finance and insurance, including lessors of nonfinancial intangible assets. The region is also known for its high concentration of employment in management of companies. The Twin Cities also has the lion's share of the state's employment in air transportation and support activities for transportation (see Table 14).

NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Location Quotient
Total, All Industries	0	78,676	1,652,316	\$95,538,557,249	\$57,772	1.0
Petroleum & Coal Products Manufacturing	324	16	2,260	\$245,523,597	\$109,044	1.7
Air Transportation	481	39	12,970	\$927,852,835	\$71,448	1.6
Lessors of Nonfinancial Intangible Assets	533	50	871	\$76,810,729	\$88,400	1.5
Management of Companies	551	778	69,875	\$8,261,617,985	\$118,248	1.5
Performing Arts & Spectator Sports	711	556	8,399	\$640,338,434	\$76,336	1.4
Specialized Design Services	5414	480	1,599	\$100,844,732	\$62,972	1.4
ISPs, Web Search Portals, & Data Processing Centers	518	157	6,627	\$549,225,597	\$82,888	1.4
Technical & Trade Schools	6115	70	929	\$33,045,583	\$35,620	1.4
Support Activities for Transportation	488	342	6,796	\$454,844,393	\$66,924	1.4
Legal Services	5411	1,687	14,747	\$1,472,495,779	\$99,840	1.4

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

INDUSTRY PROJECTIONS

As noted above, the Twin Cities' economy is projected to grow 7.6 percent from 2012 to 2022, a gain of 132,608 jobs.

The largest and fastest growing industry is expected to be health care and social assistance, which may account for 40 percent of total projected growth in the region from 2012 to 2022. The region is also expected to see significant employment growth in professional and technical services, construction, and administrative and waste services. In contrast, the region is expected to see declines in manufacturing, information, transportation and warehousing, utilities, and agriculture (see Table 15).

Industry	Estimated Employment 2012	Projected Employment 2022	Percent Change 2012-2022	Numeric Change 2012-2022
Total, All Industries	1,738,875	1,871,483	+7.6%	+132,608
Health Care & Social Assistance	221,495	274,632	+24.0%	+53,137
Retail Trade	157,125	161,278	+2.6%	+4,153
Manufacturing	162,060	156,947	-3.2%	-5,113
Accommodation & Food Services	121,700	129,666	+6.5%	+7,966
Professional & Technical Services	108,192	124,506	+15.1%	+16,314
Finance and Insurance	108,708	116,741	+7.4%	+8,033
Admin. Support & Waste Services	100,183	113,247	+13.0%	+13,064
Wholesale Trade	88,684	93,212	+5.1%	+4,528
Other Services	78,198	82,344	+5.3%	+4,146
Management of Companies	66,824	68,682	+2.8%	+1,858
Construction	51,197	67,481	+31.8%	+16,284
Transportation & Warehousing	51,136	50,197	-1.8%	-939
Educational Services	40,332	44,997	+11.6%	+4,665
Information	39,420	36,753	-6.8%	-2,667
Real Estate, Rental & Leasing	31,467	34,786	+10.5%	+3,319
Arts, Entertainment & Recreation	31,018	34,206	+10.3%	+3,188
Utilities	5,439	4,851	-10.8%	-588
Agriculture, Forestry, Fish & Hunt	3,562	3,309	-7.1%	-253
Mining	635	721	+13.5%	+86

Source: [DEED 2012-2022 Employment Outlook](#)

EMPLOYERS BY SIZE CLASS

The vast majority of businesses in the Twin Cities are small businesses, with 53.8 percent of businesses reporting 1 to 4 employees in 2013, according to County Business Patterns from the U.S. Census Bureau. Another 29.6 percent had between 5 and 19 employees; and 13.4 percent had between 20 and 99 employees. Only 3.2 percent had 100 or more employees, though that was more than the state overall. There were 308 businesses in the region that had more than 500 employees, which is the Small Business Administration's official cut off for a "small business". Obviously then, small businesses are vital to the region's economy (see Table 16).

Table 16. Employers by Size Class, 2013			
	Region 11		Minnesota
Number of Employees	Number of Firms	Percent of Firms	Percent of Firms
1-4	43,618	53.8%	54.2%
5-9	13,104	16.2%	17.7%
10-19	10,838	13.4%	13.4%
20-49	7,870	9.7%	8.9%
50-99	3,020	3.7%	3.2%
100-249	1,770	2.2%	1.9%
250-499	488	0.6%	0.5%
500-999	185	0.2%	0.2%
1,000 or more	123	0.2%	0.1%
Total Firms	81,016	100.0%	100.0%

Source: [U.S. Census, County Business Patterns](#)

NONEMPLOYER ESTABLISHMENTS

Before growing, the basic building block of most small businesses is a self-employed business. The Twin Cities was home to 220,161 self-employed businesses or "nonemployers" in 2013, which are defined by the U.S. Census Bureau as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." The Twin Cities witnessed a 17.5 percent increase in nonemployers over the past decade, higher than such growth throughout the state. Total receipts from nonemployers in the Twin Cities equaled \$10.2 billion in 2013, making up nearly 60 percent of the state's total (see Table 17).

Table 17. Nonemployer Statistics, 2013				
	2013		2003-2013	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
Region 11	220,161	\$10,205,952	+32,858	+17.5%
Anoka Co.	21,932	\$902,545	+2,581	+13.3%
Carver Co.	7,504	\$386,417	+1,552	+26.1%
Dakota Co.	27,905	\$1,231,424	+3,267	+13.3%
Hennepin Co.	99,234	\$4,955,231	+15,576	+18.6%
Ramsey Co.	35,978	\$1,463,373	+5,583	+18.4%
Scott Co.	10,136	\$479,339	+1,606	+18.8%
Washington Co.	17,472	\$787,623	+2,693	+18.2%
State of Minnesota	388,900	\$17,268,230	+40,173	+11.5%

Source: [U.S. Census, Nonemployer Statistics program](#)

CENSUS OF AGRICULTURE

Finally, while not as prevalent in the Twin Cities metro, farming still accounts for a noteworthy portion of the regional economy. According to the 2012 Census of Agriculture, the metro area had 4,250 farms producing nearly \$690 million in the market value of products sold. As such, the metro area accounted for just 6.0 percent of the state's total farms and only 3.0 percent of the state's total market value of products sold. Between 2007 and 2012, change in the market value for agricultural products in the metro increased by 39.2 percent, compared to a 61.5 percent increase statewide (see Table 18).

Table 18. Census of Agriculture, 2012				Change in Market Value, 2007-2012
	Number of Farms	Market Value of Products Sold, 2012	State Rank	
Region 11	4,250	\$688,940,000		+39.2%
Anoka Co.	396	\$47,489,000	72	+45.8%
Carver Co.	789	\$134,398,000	58	+44.6%
Dakota Co.	892	\$241,008,000	44	+30.5%
Hennepin Co.	627	\$64,469,000	67	+25.4%
Ramsey Co.	97	\$2,942,000	85	ND
Scott Co.	847	\$112,195,000	60	+77.2%
Washington Co.	602	\$86,439,000	63	+23.7%
State of Minnesota	74,542	\$21,280,184,000		+61.5%

Source: [2012 Census of Agriculture](#)